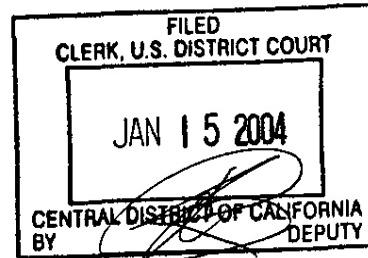


1 KENNETH GUIDO (Cal. Bar No. 040020)
2 PAUL R. BERGER
3 RUSSELL G. RYAN
4 DEREK M. MEISNER
5 JO E. METTENBURG
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington D.C. 20549-0911
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LODGED

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,
vs.

LEON JORDAN II ,
JORDAN ENTERPRISES, LLC,
JORDAN HOLDINGS, LLC ,
RAYMOND BROWN, AND
RAY BROWN & ASSOCIATES,
Defendants,

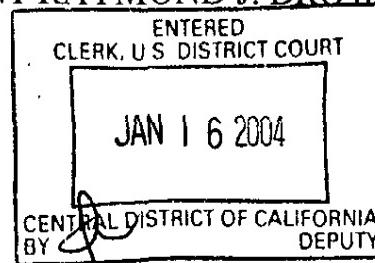
and

SHEILA S. JORDAN,
Relief Defendant.

Priority _____
Send _____
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Closed _____
JS-5/JS-6 _____
JS-2/JS-3 _____
Scan Only _____

Case No.: CV. 02-9889 PA (CTx)

FINAL JUDGMENT AS TO
DEFENDANT RAYMOND J. BROWN



THIS CONSTITUTES NOTICE OF ENTRY
AS REQUIRED BY FRCP, RULE 77(d).

The Securities and Exchange Commission having filed a Complaint and
Defendant Raymond J. Brown ("Defendant") having entered a general appearance;
consented to the Court=s jurisdiction over Defendant and the subject matter of this
action; consented to entry of this Final Judgment without admitting or denying the

1 allegations of the Complaint (except as to jurisdiction); waived findings of fact and
2 conclusions of law; and waived any right to appeal from this Final Judgment:

3 I.
4

5 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that
6 Defendant, his agents, servants, employees, attorneys-in-fact, and all those persons
7 in active concert or participation with them who receive actual notice of this Final
8 Judgment by personal service or otherwise, are permanently restrained and
9 enjoined from, directly or indirectly, by the use of any means or instruments of
10 transportation or communication in interstate commerce or by use of the mails, in
11 the offer or sale of any security:

- 12
- 13 (1) employing any device, scheme, or artifice to defraud;
 - 14 (2) obtaining money or property by means of any untrue statement of a
15 material fact or any omission of a material fact necessary in order to make
16 the statements made, in light of the circumstances under which they were
17 made, not misleading; or
 - 18 (3) engaging in any transaction, practice, or course of business which
19 operates or would operate as a fraud or deceit upon the purchaser, in the
20 offer or sale of any security,

21 in violation of Section 17(a) of the Securities Act ("Securities Act") [15 U.S.C. §
22 77q(a)].
23
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SCANNED
B

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2 II.
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4 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
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6 that Defendant, his agents, servants, employees, attorneys-in-fact, successors, and
7 assigns and all those persons in active concert or participation with them who receive
8 actual notice of this Final Judgment by personal service or otherwise, and each of
9 them, be and they hereby are permanently restrained and enjoined from violating
10 Section 15(a)(1) of the Securities Exchange Act of 1934 ("Exchange Act") [15
11 U.S.C. § 78o(a)] by, directly or indirectly effecting securities transactions for the
12 account of others or engaging in business as a dealer without being registered as a
13 broker-dealer or being associated with a registered broker-dealer for purposes of
14 those transactions or that business.
15

16 III.
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18 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
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20 that Defendant is liable for disgorgement of \$75,000 representing profits gained as
21 a result of the conduct alleged in the Complaint, together with prejudgment interest
22 thereon in the amount of \$2,611.69, for a total of \$77,611.69, and a civil penalty in
23 the amount of \$ 25,000 pursuant to Securities Act Section 20(d) [15 U.S.C. 77t(d)],
24 and Exchange Act Section 21(d)(3) [15 U.S.C. 78u(d)(3)]. Defendant shall satisfy
25 this obligation by paying \$102,611.69 within ten business days to the Clerk of this
26
27

Court, together with a cover letter identifying Raymond J. Brown as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Defendant shall simultaneously transmit photocopies of such payment and letter to the Commission's counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds, and no part of the funds shall be returned to Defendant.

The Clerk shall deposit the funds into an interest bearing account with the Court Registry Investment System ("CRIS"). These funds, together with any interest and income earned thereon (collectively, the "Fund"), shall be held by the CRIS until further order of the Court. In accordance with the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the money in the Fund a fee equal to ten percent of the income earned on the Fund. Such fee shall not exceed that authorized by the Judicial Conference of the United States.

The Commission may by motion propose a plan to distribute the Fund subject to the Court's approval. Such a plan may provide that Fund shall be distributed pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. Regardless of whether any such Fair Fund distribution is

1 made, amounts ordered to be paid as civil penalties pursuant to this Judgment shall
2 be treated as penalties paid to the government for all purposes, including all tax
3 purposes. To preserve the deterrent effect of the civil penalty, Defendant shall not,
4 in any Related Investor Action, benefit from any offset or reduction of any
5 investor's claim by the amount of any Fair Fund distribution to such investor in this
6 action that is proportionately attributable to the civil penalty paid by Defendant
7 ("Penalty Offset"). If the court in any Related Investor Action grants such an
8 offset or reduction, Defendant shall, within 30 days after entry of a final order
9 granting the offset or reduction, notify the Commission's counsel in this action and
10 pay the amount of the Penalty Offset to the United States Treasury or to a Fair
11 Fund, as the Commission directs. Such a payment shall not be deemed an
12 additional civil penalty and shall not be deemed to change the amount of the civil
13 penalty imposed in this Judgment. For purposes of this paragraph, a "Related
14 Investor Action" means a private damages action brought against Defendant by or
15 on behalf of one or more investors based on substantially the same facts as alleged
16 in the Complaint in this action.

22 IV.

23 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED

24 that the Consent is incorporated herein with the same force and effect as if fully set
25 forth herein, and that Defendant shall comply with all of the undertakings and
26 agreements set forth therein.

SCANNED

1 V.
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IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED

4 that this Court shall retain jurisdiction of this matter for the purposes of enforcing
5 the terms of this Final Judgment.

6 VI.
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8 There being no just reason for delay, pursuant to Rule 54(b) of the Federal
9 Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment
10 forthwith and without further notice.
11

12 Dated: 1/14, ²⁰⁰⁴
13 ²⁰⁰⁸



14 Honorable Percy Anderson
15 UNITED STATES DISTRICT JUDGE
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